
SELECTION, EVALUATION & RE-EVALUATION OF VENDORS (PUR-P004)

Wenatchee School District

1.0 SCOPE:

- 1.1 This procedure applies to all departments when issues with vendors arise.

**The online version of this
procedure is official;
therefore, all printed versions
are unofficial copies.**

2.0 RESPONSIBILITY:

- 2.1 Assistant Accountant, Warehouse Manager, Director of Accounting, designated receiving personnel

3.0 APPROVAL AUTHORITY:

- 3.1 Director of Accounting, Chief Financial Officer

4.0 DEFINITIONS:

- 4.1 None required

5.0 PROCEDURE:

- 5.1 All vendors in the Wenatchee School District's purchasing system as of January 1, 2008 are considered "Approved."
- 5.2 Any vendor that has been disapproved for any reason is deactivated in the computer system and is considered to be "Inactive." These vendors are no longer evaluated and will not receive future purchase orders unless they are reapproved through the new vendor application process.
- 5.3 Criteria for selection of a new vendor is as follows:
 - 5.3.1 The "New Vendor Input Form" is completed by the department administrator or designee responsible for the purchase.
 - 5.3.2 The form is then submitted to the Accounting Department.
 - 5.3.3 The Assistant Accountant shall review the new vendor input form to ensure that the vendor is not currently in the system.
 - 5.3.3.1 If the vendor already exists in the system, perhaps under a name variation, the originator of the request is notified and given the vendor's accurate name.
 - 5.3.3.2 If the vendor is not in the system, the Assistant Accountant will approve the request and add the vendor to the computer system. The form is verified by Director of Accounting; then filed alphabetically in the vendor file.
 - 5.3.3.3 If the vendor is inactive in the system, the request is reviewed and approved or denied by the Director of Accounting, depending on the history of the vendor. Denied requests are communicated to the originator. Re-activated requests are processed as approved.
- 5.4 Vendors are classified into three categories: General Vendors, Critical Vendors, and Bid Process Vendors.

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- 5.4.1 General vendors supply shelf items, such as purchases made from office stores, chain stores, department stores, and similar type items.
 - 5.4.1.1 The Vendor Problem/Evaluation Form is completed by designated receiving personnel within the district and forwarded to the Accounting Department. The Warehouse maintains an electronic Vendor Deficiency Log of shipment problems (Reference PMS-P007) and annually provides this to the Accounting Department.
 - 5.4.1.2 The Director of Accounting shall review the information gathered on an annual basis and make a decision as to what action items are required.
- 5.4.2 Critical vendors: These vendors are identified by each building or department and then evaluated on their ability to continually supply the needed product or service within the prices agreed upon on an annual basis. Each building or department administrator maintains this information.
- 5.4.3 Bid Process Vendors: Some items within the district are required to be purchased through the bid-process. These are typically state mandated and these vendors are evaluated through the information found in the Vendor Deficiency Log.
- 5.5 Records of evaluation of vendors and the actions taken are maintained for a minimum period of three (3) years.
 - 5.5.1 Vendors not meeting the expected standard can be removed from the purchasing system by request and approval of the Director of Accounting.
 - 5.5.2 The Director of Accounting notifies appropriate district personnel of vendor inactivation.

6.0 ASSOCIATED DOCUMENTS:

- 6.1 New Vendor Input Form PUR-F002
- 6.2 Vendor Problem/Evaluation Form PUR-F003

7.0 RECORD RETENTION TABLE:

<u>Identification</u>	<u>Storage</u>	<u>Retention</u>	<u>Disposition</u>	<u>Protection</u>
Critical Vendors and Evaluation	Hard Copy or Electronic by each Manager	Minimum of 3 years	Discard as desired	Not required
Vendor Problem / Evaluation Form	Hard Copy in Purchasing	Minimum of 3 years	Discard as desired	Not required
New Vendor Input Form	Hard Copy in Purchasing	Minimum of 2 years	Discard as desired	Not required

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8.0 REVISION HISTORY:

<u>Date:</u>	<u>Rev:</u>	<u>Description of Revision:</u>
07-Jan-02	A	Initial Release
25-Jan-02	B	Updated
21-Feb-02	C	Added information regarding electronic Vendor Deficiency Log to 5.4.1 and 5.4.3; also corrected form numbers in Association Documents
09-Jan-04	D	Expanded 2.0; updated job title in 3.0 and 5.4.1; replaced 5.3.2, 5.3.3, and 5.4; added 5.5.1 and 5.5.2 to reflect current practice
13-Jan-04	E	Added Chief Financial Officer to 3.0
9-Dec-05	F	Changed name of form from "new vendor request form" to "new vendor input form"; changed "vendor" to "originator" in 5.3.3.3; modified record retention table for input form from 3 to 2 years
5-Apr-10	G	Due to fiscal conversion, complete update for multiple sections and switched sections 5.3.3.1 & 5.3.3.2 / 6.1 & 6.2.

**** End of Procedure ****